

KENNETH W. SALINGER 617.239.0561 ksalinger@palmerdodge.com

February 5, 2003

Mary L. Cottrell, Secretary Department of Telecommunications and Energy One South Station, 2nd Floor Boston, MA 02110

Re: Docket D.T.E. 01-20 - Compliance Filing Schedule and Procedures

Dear Ms. Cottrell:

I write on behalf of AT&T regarding the schedule and procedures for evaluating Verizon's compliance filing in this proceeding. The Department has worked long and hard to decide the inputs that will be used to determine UNE rates with the cost models adopted in this proceeding. Now it must complete this process by ensuring that the final rates adopted through the compliance filing process are consistent with the Department's orders in all respects. It is the final rates that will determine whether competition in the local residential market can develop in Massachusetts.

In its January 14, 2003, order on reconsideration, the Department directed Verizon to submit its compliance filing no later than February 13, 2003. The Department has previously ordered that this compliance filing must include, at a minimum: (i) recalculated UNE rates using the input values approved by the Department; (ii) a comparison of the proposed rates with existing rates; (iii) completed and detailed supporting documentation, which necessarily will include revised cost studies with the input values approved by the Department; (iv) a summary of all changes that Verizon made to its cost studies in its compliance filing; and (v) proposed tariff pages to implement the proposed rates. *See* Order D.T.E. 01-20 at 519 (July 11, 2002) and the Letter Order re Extension of Date for Verizon's Compliance Filing (August 23, 2002). It is AT&T's understanding that, consistent with the ground rules for this proceeding, Verizon will provide both paper and electronic copies of these materials.

The Department has also ordered that there shall be a technical session held on the compliance filing. *Id.* Although AT&T, like the Department, will need some time to review Verizon's compliance filing in advance of the technical session, it is vitally important that the technical session take place quickly so that final rates may be approved by the Department as quickly as possible. The fact that (with the exception of non-recurring charges for hot cuts) these rates will take effective retroactive to August 5, 2002, does not change the fact that time is of the essence. AT&T cannot make a business decision regarding whether it can enter the residential local exchange market in Massachusetts economically until final rates have been approved. Quite simply, the rates that come out of this compliance process will determine whether AT&T can enter the market.

Mary L. Cottrell February 5, 2003 Page 2

AT&T therefore respectfully requests that the technical session be scheduled for February 24 and 25, 2003. AT&T will need to have key technical experts at the technical session. Because one of them is not available during the week of February 17 or for some time after February 25, AT&T respectfully requests that the days of February 24 and 25 be reserved for the technical session.

Finally, we also propose that the Department establish an expedited schedule for comments immediately after the technical session, so that the Department will be able to approve final rates by the end of March 2003. We propose that if the technical session is held on February 24 and 25, then comments raising questions about any aspect of the compliance filing be filed no later than March 6, that Verizon's reply comments be filed no later than March 13, and that any sur-reply comments be filed no later than March 20, 2003. ¹

Very truly yours,

Kenneth W. Salinger

pc: Service List

In the comments filed by AT&T on January 30, 2003, regarding Verizon's motion for clarification, AT&T noted that the less costly, alternative hot cut proposal that Verizon will be filing will be for a brand new process and will rely on systems and process improvements not previously considered by the Department. AT&T has therefore respectfully urged the Department to conduct a more thorough review of that brand new proposal, on a schedule separate from its review of Verizon's compliance filing.